

## Revenues

The House Republican budget resolution provides for \$27.853 billion in new tax cuts for 2003 through 2007. The resolution is silent about what form these tax cuts might take, and Republicans did not offer any specific recommendations in response to questioning during the Committee's markup.

### Tax Cut in Republican Budget Resolution

Millions of Dollars						
<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2002-2007</u>
0,000	4,431	5,455	6,418	5,994	5,555	27,853

The very modest tax cut figures in the Republican resolution are not credible, given the repeated and vociferous calls by both the President and the Republican leadership for major additional tax cuts. (See *Where Is the Real Republican Budget?* for a more complete analysis.)

- The day after the Committee's markup of the resolution both Speaker Hastert and White House spokesman Ari Fleischer expressed a commitment to making permanent the provisions of last year's tax cut. CBO estimates that doing so would reduce revenues over 10 years by \$569 billion and would have revenue effects in 2003 through 2007 larger than those shown in the above table.
- The tax cut figures in the resolution could not possibly accommodate reform of the individual alternative minimum tax (AMT), which will become a severe burden on middle-class families if not fixed.